

# ***City of Cunningham***

## ***Financial Statement***

***For the Year Ended December 31, 2019***

*ATC Accounting*

City of Cunningham, Kansas  
Financial Statement  
For the Year Ended December 31, 2019

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## INDEPENDENT AUDITOR'S REPORT

Component Units Are Omitted-Separate Entity Financial Statements Have Been Issued

Honorable Mayor and City Council  
City of Cunningham  
Cunningham, Kansas 67035

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Cunningham, Kansas, as of and for the year ended December 31, 2019 and the related notes to the financial statement.

***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Cunningham, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### *Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Cunningham, Kansas as of December 31, 2019, or changes in financial position and cash flows thereof for the year then ended.

### *Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Cunningham, Kansas as of December 31, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the 2019 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual, individual fund schedules of regulatory basis receipts and expenditures-actual (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2019 basic financial statement, however are required to be presented under the provision of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statement. The 2019 information has been subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2019 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2018 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2018 basic financial statement upon which we rendered an unqualified opinion dated July 12, 2019. The 2018 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2018 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 basic financial statement. The 2018 comparative information was subjected to the auditing procedures applied in the audit of the 2018 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2018 basic financial statement or to the 2018 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 comparative information is fairly stated in all material respects in relation to the 2018 basic financial statement as a whole, on the basis of accounting described in Note 1.

### *ATC Accounting*

ATC Accounting

September 11, 2020

City of Cunningham, Kansas  
Summary Statement of Receipts, Expenditures, and Encumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2019

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances And Accounts Payable	Ending Cash Balance
GENERAL	\$ 27,350	\$ 365,832	\$ 340,803	\$ 52,379	\$ 829	\$ 53,208
SPECIAL PURPOSE FUNDS:						
Library	-	12,205	12,205	-	-	-
Employee Benefits	7,682	19,789	26,209	1,262	-	1,262
Special Highway	16,859	12,324	12,755	16,428	-	16,428
BOND AND INTEREST FUND:						
Bond and Interest	6,147	38,655	39,942	4,860	-	4,860
CAPITAL PROJECT FUNDS:						
Capital Improvement	67,787	35,098	31,339	71,546	-	71,546
Equipment Reserve	23,960	-	10,214	13,746	-	13,746
BUSINESS FUNDS:						
Water Utility	10,893	105,522	97,625	18,790	-	18,790
Sewer Utility	19,612	65,592	77,676	7,528	-	7,528
Total Reporting Entity	\$ 180,290	\$ 655,017	\$ 648,768	\$ 186,539	\$ 829	\$ 187,368
						Cash on hand
						Checking Accounts
						\$ 200
						187,168
						Total Reporting Entity
						\$ 187,368

The notes to the financial statement are an integral part of this statement

City of Cunningham, Kansas  
Notes to Financial Statement  
December 31, 2019

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Financial Reporting Entity

The City of Cunningham is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of Cunningham (the municipality).

The related municipal entity is not included in the City's reporting entity even though it was established to benefit the City and/or its constituents.

Library Board - The Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Complete financial records for the Library Board may be reviewed at their administrative offices.

### (b) Regulatory Basis Fund Types

**General fund** – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

**Special Purpose fund** – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

**Bond and Interest fund** – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

**Capital Project fund** – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

**Business fund** – funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).

**Trust fund** – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

**Agency fund** – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.).

### (c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

**(d) Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- 1) Preparation of the budget for the succeeding calendar year on or before August 1<sup>st</sup>
- 2) Publication in local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
- 3) Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
- 4) Adoption of the final budget on or before August 25<sup>th</sup>.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received, an expenditure includes disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds and Agency Funds.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

## **2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **Compliance with Kansas Statutes**

The City is not aware of any non-compliance with Kansas Statutes.

## **3. DEPOSITS AND INVESTMENTS**

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located or in an adjoining county if such an institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

*Concentration of credit risk.* State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutes to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2019.

At December 31, 2019, the City's carrying amount of deposits was \$187,168 and the bank balance was \$246,864. The bank balance was held by 2 banks resulting in no concentration of credit risk. Of the bank balance \$246,864 was covered by federal depository insurance.

*Custodial Credit Risk – Investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.



#### 4. LONG-TERM DEBT

Changes in long-term liabilities for the year ended December 31, 2019, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest/ Service Fees Paid
General Obligation Bond: Series 2012	.50-2.20%	11/15/2012	\$ 550,000	12/01/2027	\$ 340,000	\$ -	\$ 35,000	\$ 305,000	\$ 6,590
Capital Lease: Backhoe Lease	3.250%	01/25/2017	30,000	01/25/2021	15,377	-	7,599	7,778	417
Total Contractual Indebtedness					<u>\$ 355,377</u>	<u>\$ -</u>	<u>\$ 42,599</u>	<u>\$ 312,778</u>	<u>\$ 7,007</u>

Year	General Obligation Bond		Capital Lease		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 35,000	\$ 6,100	\$ 7,778	\$ 163	\$ 42,778	\$ 6,263
2021	35,000	5,610	-	-	35,000	5,610
2022	35,000	4,945	-	-	35,000	4,945
2023	40,000	4,280	-	-	40,000	4,280
2024	40,000	3,520	-	-	40,000	3,520
2025-2027	120,000	5,280	-	-	120,000	5,280
	<u>\$ 305,000</u>	<u>\$ 29,735</u>	<u>\$ 7,778</u>	<u>\$ 163</u>	<u>\$ 312,778</u>	<u>\$ 29,898</u>

## **5. DEFINED BENEFIT PENSION PLAN**

**Plan Description.** The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

**Funding Policy.** K.S.A. 74-419 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depend on whether the employee is a Tier 1, Tier 2, or Tier 3 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009 and Tier 3 members were first employed in a covered position on or after January 1, 2015. Kansas law establishes the KPERS member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members through December 31, 2014. On January 1, 2015, Kansas law increased the KPERS member-employee contribution rate to 6% of covered salary for Tier 1 members. On that date, the Tier 2 member-employee contribution rate remained at 6% of covered salary, and the Tier 3-member contribution rate was established at 6% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for Tier 1 and Tier 2 be determined annually based on the results of an annual actuarial valuation. Tier 3 Employer credits are established by statute and are based on the member employee's years of service. Tier 1 and Tier 2 is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rate (not including the 0.85% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.89%, for the fiscal year ended December 31, 2019. Contributions to the pension plan from the city were \$6,808 for the year ended December 31, 2019

**Net Pension Liability.** At December 31, 2019, the city's proportionate share of the collective net pension liability reported by KPERS was \$57,292. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The city's proportion of the net pension liability was based on the ration of the city's contributions to KPERS, relative to the total employer and non-employer contributions of the local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

## **6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS**

### **(a) Other Post Employment Benefits**

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

**(b) Compensated Absences**

After a 90-day probationary period, each full-time employee is allowed ten sick days and 2 personal days each year of employment. A total of sixty days sick leave can be accumulated. Part-time employees and temporary employees are not entitled to sick leave unless agreed to by the City Council. No sick leave exceeding two consecutive days will be allowed unless a statement from a doctor certifies that the sickness prevented the employee from working. Any unused accumulated sick leave may be used by an employee during their employment with the City and if employment is served, the unused accumulated amount is not paid to the employee. Therefore, accumulated sick leave has not been accrued.

**(c) Other Employee Benefits**

**Vacation** – All full-time employees of the City are entitled to paid vacation. After one full year of employment, employees are entitled to ten working days of paid vacation. After five years of employment, employees are entitled to fifteen working days of paid vacation. After fifteen years of employment, employees are entitled to twenty days of paid vacation. Employees are not allowed to accumulate vacation from year to year. Any days not taken during the current year (employee's anniversary date to anniversary date) will be lost. The vacation time is paid at the employee's regular rate. Unused vacation pay will be paid to employees upon termination, if proper notice of resignation is given.

The cost of accumulated vacation leave is \$929 and will be recorded as expenditures at the time the vacation leave is utilized, as normal personal service expenditures.

**Sick Leave** - After a 90-day probationary period, an employee is allowed ten days sick leave plus 2 personal days each year of employment. A total of sixty days sick leave can be accumulated. Any unused accumulated sick leave may be used by an employee during their employment with the City. Upon termination or resignation, the unused accumulated amount is not paid to the employee. Therefore, accumulated sick leave has not been accrued.

## **7. CLAIMS AND JUDGMENTS**

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2018 to 2019 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

#### **8. INTERFUND TRANSFERS**

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Capital Improvements	K.S.A. 12-1118	35,000
Water	Bond and Interest	K.S.A. 12-825d	10,000

#### **9. RELATED PARTY TRANSACTIONS**

Aaron Murphy, City Council, is the assistant manager at Skyland Grain (formerly Cairo Co-op). Jason Ruckle, City Council, has a son that owns T&R Excavating. The City conducted business with these businesses and paid them \$82, and \$20,430, respectively for services or products.

Jason Ruckle, City Council, is the son-in-law of employee Sam Theis. Aaron Murphy, City Council, is the son-in-law of employee Randy Shelman. The City employs these two and conducts employment under the same policies as all employees.

#### **10. SUBSEQUENT EVENTS**

Management has evaluated the effects of the financial statement of subsequent events occurring through the date of the report which is the date at which the financial statement was available to be issued.

**CITY OF CUNNINGHAM, KANSAS**  
**REGULATORY-REQUIRED**  
**SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

City of Cunningham, Kansas  
Summary of Expenditures – Actual and Budget  
Regulatory Basis  
(Budgeted Funds Only)  
For the Year Ended December 31, 2019

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable To Current Year Budget	Variance Over (Under)
GENERAL	\$ 346,700	\$ -	\$ 346,700	\$ 340,803	\$ (5,897)
SPECIAL PURPOSE FUNDS:					
Library	12,205	-	12,205	12,205	-
Employee Benefits	31,350	-	31,350	26,209	(5,141)
Special Highway	16,562	-	16,562	12,755	(3,807)
BOND AND INTEREST FUND:					
Bond and Interest	46,000	-	46,000	39,942	(6,058)
BUSINESS FUNDS:					
Water Utility	130,000	-	130,000	97,625	(32,375)
Sewer Utility	77,973	-	77,973	77,676	(297)

City of Cunningham, Kansas  
General Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year End December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Ad Valorem Tax	\$ 108,901	\$ 132,235	\$ 133,159	\$ (924)
Delinquent Tax	2,090	2,476	2,357	119
Motor Vehicle Tax	22,434	22,218	16,179	6,039
Recreational Vehicle Tax	268	348	253	95
16/20M Vehicle Tax	397	289	982	(693)
Commercial Truck Tax	2,831	3,959	1,384	2,575
Watercraft Tax	-	-	-	-
Franchise Fees	24,536	24,704	23,000	1,704
Local Sales Tax	130,275	149,646	110,000	39,646
Licenses, Permits, Rent, Court	667	784	2,000	(1,216)
Charges for Services – Swimming Pool	7,673	6,974	6,600	374
Grants and Donations	131	518	400	118
Interest on Idle Funds	163	131	150	(19)
Reimbursements	6,412	350	-	350
Miscellaneous Receipts	47	788	15,000	(14,212)
Fire Protection	33,000	33,000	32,500	500
Fire Department Grants and Donations	12,688	100	6,000	(5,900)
Sale of Assets	750	-	-	-
Neighborhood Revitalization Rebate	(13,416)	(12,688)	(10,907)	(1,781)
<b>Total Receipts</b>	<b>339,847</b>	<b>365,832</b>	<b>\$ 339,057</b>	<b>\$ 26,775</b>
<b>Expenditures</b>				
Salaries and Wages	43,869	44,285	\$ 45,000	\$ (715)
Employee Benefits	-	4,050	2,000	2,050
Administrative	21,007	23,081	21,000	2,081
Utilities	17,489	16,613	15,500	1,113
Insurance	17,954	7,804	9,700	(1,896)
Planning and Zoning	164	27	2,000	(1,973)
Animal Control	1,341	68	1,500	(1,432)
Trees, Parks, Recreation	10,836	34,472	10,000	24,472
Municipal Court	25	463	-	463
Swimming Pool	30,558	45,565	36,000	9,565
Dues and Donations	1,550	2,354	500	1,854
Fuel	2,825	2,499	2,500	(1)
Demolition and Solid Waste	1,421	3,706	3,500	206
Streets and Sidewalks	27,765	5,114	40,000	(34,886)
Maintenance and Repairs	28,668	9,047	12,500	(3,453)

City of Cunningham, Kansas  
General Fund (Cont)  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year End December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
Fire Department Expenses	51,428	65,033	55,000	10,033
Sales Tax CID	36,481	36,670	30,000	6,670
Miscellaneous	966	2,552	-	2,552
Capital Outlay	4,404	2,400	15,000	(12,600)
Transfer to Capital Improvements	30,000	35,000	40,000	(5,000)
Transfer to Equipment Reserve	8,000	-	5,000	(5,000)
Total Expenditures	336,751	340,803	\$ 346,700	\$ (5,897)
Receipts Over (Under) Expenditures	3,096	25,029		
Unencumbered Cash , January 1	24,254	27,350		
Unencumbered Cash, December 31	\$ 27,350	\$ 52,379		



City of Cunningham, Kansas  
Library Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year End December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	\$ 9,579	\$ 10,652	\$ 10,725	\$ (73)
Delinquent Tax	177	216	190	26
Motor Vehicle Tax	1,776	1,954	1,423	531
Recreational Vehicle Tax	21	31	22	9
16/20M Vehicle Tax	35	26	86	(60)
Commercial Vehicle Tax	224	348	122	226
Watercraft Tax	-	-	-	-
Miscellaneous	-	-	-	-
Neighborhood Revitalization Rebate	(1,180)	(1,022)	(878)	(144)
Total Receipts	10,632	12,205	\$ 11,690	\$ 515
Expenditures				
Contractual Services	10,632	12,205	\$ 12,205	\$ -
Miscellaneous	-	-	-	-
Total Expenditures	10,632	12,205	\$ 12,205	\$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, January 1	-	-		
Unencumbered Cash, December 31	\$ -	\$ -		

City of Cunningham, Kansas  
Employee Benefit Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year End December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	\$ 30,903	\$ 12,708	\$ 12,797	\$ (89)
Delinquent Tax	590	670	227	443
Motor Vehicle Tax	5,211	6,310	4,594	1,716
Recreational Vehicle Tax	62	99	72	27
16/20M Vehicle Tax	133	97	279	(182)
Commercial Vehicle Tax	658	1,124	393	731
Watercraft Tax	-	-	-	-
Neighborhood Revitalization Rebate	(3,810)	(1,219)	(1,048)	(171)
Total Receipts	33,747	19,789	\$ 17,314	\$ 2,475
Expenditures				
Social Security and Medicare	9,734	10,319	\$ 9,500	\$ 819
Insurance	19,319	10,251	14,000	(3,749)
KPERS	7,258	4,771	7,000	(2,229)
Unemployment	1,182	868	850	18
Total Expenditures	37,493	26,209	\$ 31,350	\$ (5,141)
Receipts Over (Under) Expenditures	(3,746)	(6,420)		
Unencumbered Cash, January 1	11,428	7,682		
Unencumbered Cash, December 31	\$ 7,682	\$ 1,262		

City of Cunningham, Kansas  
Special Highway Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year End December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Special Highway Tax	\$ 12,377	\$ 12,324	\$ 12,420	\$ (96)
Miscellaneous	-	-	1,200	(1,200)
Total Receipts	12,377	12,324	\$ 13,620	\$ (1,296)
Expenditures				
Street Repair	11,090	12,755	\$ 16,562	\$ (3,807)
Receipts Over (Under) Expenditures	1,287	(431)		
Unencumbered Cash, January 1	15,572	16,859		
Unencumbered Cash, December 31	\$ 16,859	\$ 16,428		

City of Cunningham, Kansas  
Bond and Interest Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year End December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Ad Valorem Tax	\$ 22,474	\$ 24,996	\$ 25,171	\$ (175)
Delinquent Tax	369	484	446	38
Motor Vehicle Tax	3,910	4,582	3,337	1,245
Recreational Vehicle Tax	47	72	52	20
16/20M Vehicle Tax	68	49	202	(153)
Commercial Vehicle Tax	493	817	286	531
Watercraft Tax	-	-	-	-
Interest on Idle Funds	45	53	65	(12)
Transfer - Water	-	10,000	17,500	(7,500)
Neighborhood Revitalization Rebate	(2,767)	(2,398)	(2,062)	(336)
<b>Total Receipts</b>	<b>24,639</b>	<b>38,655</b>	<b>\$ 44,997</b>	<b>\$ (6,342)</b>
<b>Expenditures</b>				
Bond Principal Payments	17,500	35,000	\$ 35,000	\$ -
Bond Interest Payments	5,310	4,942	3,500	1,442
Bond Reserve	-	-	7,500	(7,500)
<b>Total Expenditures</b>	<b>22,810</b>	<b>39,942</b>	<b>\$ 46,000</b>	<b>\$ (6,058)</b>
<b>Receipts Over (Under) Expenditures</b>	<b>1,829</b>	<b>(1,287)</b>		
<b>Unencumbered Cash, January 1</b>	<b>4,318</b>	<b>6,147</b>		
<b>Unencumbered Cash, December 31</b>	<b>\$ 6,147</b>	<b>\$ 4,860</b>		

City of Cunningham, Kansas  
 Capital Improvement Fund  
 Schedule of Receipts and Expenditures – Actual  
 Regulatory Basis  
 For the Year End December 31, 2019

	2018	2019
	Actual	Actual
Receipts		
Interest on Idle Funds	\$ 88	\$ 98
Transfer - General	30,000	35,000
Transfer – Water	-	-
Transfer - Sewer	-	-
Temporary Note	-	-
Grant/Donations	-	-
	<hr/>	<hr/>
Total Receipts	30,088	35,098
	<hr/>	<hr/>
Expenditures		
Streets and Sidewalks	25,016	-
Water Improvements	-	31,339
Equipment	17,614	-
	<hr/>	<hr/>
Total Expenditures	42,630	31,339
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	(12,542)	3,759
	<hr/>	<hr/>
Unencumbered Cash, January 1	80,329	67,787
	<hr/>	<hr/>
Unencumbered Cash, December 31	\$ 67,787	\$ 71,546
	<hr/>	<hr/>

City of Cunningham, Kansas  
Equipment Reserve Fund  
Schedule of Receipts and Expenditures – Actual  
Regulatory Basis  
For the Year End December 31, 2019

	2018	2019
	Actual	Actual
Receipts		
Transfer - General	\$ 8,000	\$ -
Expenditures		
Capital Outlay	-	10,214
Receipts Over (Under) Expenditures	-	(10,214)
Unencumbered Cash, January 1	15,960	23,960
Unencumbered Cash, December 31	\$ 23,960	\$ 13,746

City of Cunningham, Kansas  
Water Utility Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year End December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges for Services	\$ 101,074	\$ 105,522	\$ 130,000	\$ (24,478)
Miscellaneous Receipts	-	-	-	-
Total Receipts	101,074	105,522	\$ 130,000	\$ (24,478)
Expenditures				
Salaries and Wages	36,357	36,169	\$ 39,000	\$ (2,831)
Employee Benefits	4,900	5,625	-	5,625
Administration	5,181	5,230	9,500	(4,270)
Analytical Fees	3,120	969	-	969
Utilities	5,805	4,598	5,250	(652)
Insurance	7,400	9,408	6,200	3,208
Contracted Services	8,500	2,560	20,000	(17,440)
Maintenance	16,598	16,929	-	16,929
Sales Tax	1,963	1,500	3,000	(1,500)
Equipment Lease	3,276	-	-	-
Chemicals	1,758	-	1,500	(1,500)
Bond Principle	17,500	-	-	-
Bond Interest	1,770	1,647	-	1,647
Miscellaneous	124	182	50	132
Capital Outlay	-	2,808	10,000	(7,192)
Transfer – Capital Improvements	-	-	15,000	(15,000)
Transfer – Bond and Interest	-	10,000	20,500	(10,500)
Total Expenditures	114,252	97,625	\$ 130,000	\$ (32,375)
Receipts Over (Under) Expenditures	(13,178)	7,897		
Unencumbered Cash, January 1	24,071	10,893		
Unencumbered Cash, December 31	\$ 10,893	\$ 18,790		

City of Cunningham, Kansas  
Sewer Utility Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year End December 31, 2019

	2018	2019		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges for Services	\$ 65,832	\$ 65,592	\$ 75,000	\$ (9,408)
Miscellaneous	-	-	-	-
Total Receipts	65,832	65,592	\$ 75,000	\$ (9,408)
Expenditures				
Salaries and Wages	36,687	36,169	\$ 35,000	\$ 1,169
Employee Benefits	4,900	5,625	-	5,625
Administration	5,432	3,890	3,500	390
Utilities	1,488	2,008	1,750	258
Analytical Fees	604	634	-	634
Chemicals	2,193	2,830	500	2,330
Insurance	1,647	4,353	1,500	2,853
Contracted Services	425	5,501	12,500	(6,999)
Maintenance	1,541	13,643	723	12,920
Miscellaneous	-	215	-	215
Capital Outlay	-	2,808	7,500	(4,692)
Equipment Lease Payment	3,276	-	-	-
Transfer – Capital Improvements	-	-	15,000	(15,000)
Total Expenditures	58,193	77,676	\$ 77,973	\$ (297)
Receipts Over (Under) Expenditures	7,639	(12,084)		
Unencumbered Cash, January 1	11,973	19,612		
Unencumbered Cash, December 31	\$ 19,612	\$ 7,528		